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safely and is producing gasoline, diesel and chemicals products for the US market.

In parallel, refinery personnel have continued to work to effect the repair and the safe restart of the remaining process units. Additional processing facilities were commissioned in the second and third quarters of 2006. Additional conversion capacity is expected to be brought online in 2007. BP's plan is to bring additional sour crude processing facilities back on-stream in the second half of 2007; these facilities will allow the processing of additional high-sulphur crude. We expect crude throughputs to be approximately 400,000 barrels per day by the end of 2007.

The following milestones have been achieved in returning the refinery to operation with sequenced reconditioning of a multitude of units:

- Major site commissioning involving more than 15 million worker hours to date.
- Refurbishment and safe start-up of 27-mile steam system.
- Extensive mechanical renovation and the installation of a new flare system.
- Creation of a new command centre with interactive audio/visual links to the units, manned 24 hours a day during unit start-up.
- Implementation of a holistic commissioning plan defining behaviours and accountabilities to deliver safe and successful start-up.
- Implementation of a comprehensive systems training programme, coupled with safety accountability roll-out plans.

Several other improvements are either complete or under way:

- A new office building for more than 400 Texas City workers was opened to relocate workers who can work outside our plant fence line.
- A new flue gas scrubber is being added to the FCC unit. This \$80-million investment will reduce emissions of sulphur and nitrogen oxide from the refinery.
- A new Employee Services Building (ESB) is under construction. The ESB will include facilities for learning and development and operations training departments, including unit training simulators and nine training rooms, the medical department, some of the site's security team, the Incident Management Team and site union official offices.

Construction has started on a new 250 megawatt (MW) steam turbine power generating plant that will reduce emissions and improve both energy and operational efficiency. The \$100-million unit will be located next to the existing South Houston Green Power LP co-generation facility and is expected to

course of its review, it saw no information to suggest that anyone – from BP's board members to its hourly workers – acted in anything other than good faith.'

The panel made 10 recommendations relating to: process safety leadership; integrated and comprehensive process safety management system; process safety knowledge and expertise; process safety culture; clearly defined expectations and accountability for process safety; support for line management; leading and lagging performance indicators for process safety; process safety auditing; board monitoring; and industry leader. The panel's report in its entirety can be found at [www.bp.com/bakerpanelreport](http://www.bp.com/bakerpanelreport).

The panel acknowledged the measures BP had taken since the Texas City incident, including dedicating significant resources and personnel intended to improve the process safety performance at BP's US refineries. BP has committed to implement the panel's recommendations and will consult with the panel on how best to do this across the US refineries and to apply the lessons learned elsewhere in its global operations.

#### Other refinery investigations

As a result of its investigation of the Texas City refinery, OSHA conducted an inspection of BP Products North America Inc.'s Toledo refinery, beginning in October 2005. On 24 April 2006, OSHA issued citations with a total penalty of \$2.4 million, alleging 39 separate violations of two different OSHA standards. BP and OSHA have reached a settlement in principle and are working towards finalizing the documentation.

On 15 November 2006, the Indiana Occupational Safety and Health Administration (IOSHA) issued the Whiting refinery with three Safety Orders and Notifications of Penalty alleging 14 separate violations of the OSHA regulations. The total proposed penalty was \$0.4 million. On 7 December 2006, BP and IOSHA met to discuss resolution of the matter. Discussions to reach a settlement agreement are ongoing.

#### Refining

The company's global refining strategy is to own and operate strategically advantaged refineries that benefit from vertical integration with our marketing and trading operations, as well as horizontal integration with other parts of the group's business. Refining's focus is to maintain and improve its competitive position through sustainable, safe, reliable and efficient operations of the refining system and disciplined investment for growth.

For BP, the strategic advantage of a refinery

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boost the total electricity generating capacity located at the Texas City refinery site to 1,000MW.

Report of the BP US Refineries Independent Safety Review Panel

On 16 January 2007, having completed its review, the panel issued its report. The report identified deficiencies in process safety performance at BP's US refineries and called on BP to give process safety the same priority that it had historically given to personal safety and environmental performance. In making its findings and recommendations, the panel stated its objective was excellence in process safety performance, not simply legal compliance. The panel specifically noted that, 'during the

relates to its location, scale and configuration to produce fuels from low-cost feedstocks in line with the demand of the region. Efficient operations are measured primarily using regional refining surveys conducted by third parties. The surveys assess our competitive position against benchmarked industry measures for margin, energy efficiency and costs per barrel. Investments in our refineries are focused on maintaining and improving our competitive position and developing the capability to produce the cleaner fuels that meet the requirements of our customers and their communities.

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 20-F**

(Mark One)

- ☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) or (g)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
OR  
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2007  
OR  
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934  
OR  
☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934  
Commission file number: 1-6262

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**BP p.l.c.**

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(Exact name of Registrant as specified in its charter)  
**England and Wales**

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(Jurisdiction of incorporation or organization)

**1 St James's Square  
London  
SW1Y 4PD  
United Kingdom**

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(Address of principal executive offices)

**Dr Byron E Grote  
BP plc  
1 St James's Square  
London  
SW1Y 4PD  
United Kingdom  
Tel +44 (0)20 7496 4263  
Fax +44 (0)20 7496 4242**

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(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class

Name of each exchange on which registered

**Ordinary Shares of 25c each**

**New York Stock Exchange\*  
Chicago Stock Exchange\***



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## Information on the company

### General

*Unless otherwise indicated, information in this document reflects 100% of the assets and operations of the company and its subsidiaries that were consolidated at the date or for the periods indicated, including minority interests. Also, unless otherwise indicated, figures for business sales and other operating revenues include sales between BP businesses.*

*The company, incorporated in 1909 in England and Wales, became known as BP Amoco p.l.c. following the merger with Amoco Corporation (incorporated in Indiana, US, in 1889). The company subsequently changed its name to BP p.l.c.*

*BP is one of the world's leading oil companies on the basis of market capitalization and proved reserves. Our worldwide headquarters is located at 1 St James's Square, London SW1Y 4PD, UK, tel +44 (0)20 7496 4000. Our agent in the US is BP America Inc., 4101 Winfield Road, Warrenville, Illinois 60555, tel +1 630 821 2222.*

### Overview of the group

BP is a global group, with interests and activities held or operated through subsidiaries, jointly controlled entities or associates established in, and subject to the laws and regulations of, many different jurisdictions. These interests and activities covered three business segments in 2007, supported by a number of organizational elements comprising group functions and regions.

In 2007, the three business segments were Exploration and Production, Refining and Marketing and Gas, Power and Renewables. With effect from 1 January 2008, the Gas, Power and Renewables segment ceased to report separately (see *Resegmentation in 2008 on page 12*). Exploration and Production's activities include oil and natural gas exploration, development and production (upstream activities), together with related pipeline, transportation and processing activities (midstream activities). The activities of Refining and Marketing include the supply and trading, refining, marketing and transportation of crude oil, petroleum and chemicals products. Gas, Power and Renewables activities included marketing and trading of gas and power, marketing of liquefied natural gas (LNG), natural gas liquids (NGLs), and low-carbon power generation through our Alternative Energy business. The group provides high-quality technological support for all its businesses through its research and engineering activities.

Group functions serve the business segments, similar to various enterprise centres the group

but does not reflect the way BP manages its activities.

We have well-established operations in Europe, the US, Canada, Russia, South America, Australasia, Asia and parts of Africa. Currently, around 65% of the group's capital is invested in Organisation for Economic Co-operation and Development (OECD) countries, with just under 40% of our fixed assets located in the US and around 25% located in Europe.

We believe that BP has a strong portfolio of assets:

- In Exploration and Production, we have upstream interests in 29 countries. Exploration and Production activities are managed through operating units that are accountable for the day-to-day management of the segment's activities. An operating unit is accountable for one or more fields. Profit centres comprise one or more operating units.

Profit centres are, or are expected to become, areas that provide significant production and income for the segment. Our current areas of major development include the deepwater Gulf of Mexico, Azerbaijan, Algeria, Angola, Egypt and Asia Pacific where we believe we have competitive advantage and that we believe provide the foundation for volume growth and improved margins in the future. We also have significant midstream activities to support our upstream interests.

- In Refining and Marketing, we have a strong presence in the US and Europe. In the US, we market under the Amoco and BP brands in the Midwest, east and southeast and under the ARCO brand on the west coast, and under the BP and Aral brands in Europe. We have a long-established supply and trading activity responsible for delivering value across the crude and oil products supply chain. Our Aromatics & Acetyls business maintains a manufacturing position globally, with emphasis on growth in Asia. We also have, or are growing, businesses elsewhere in the world under the BP and Castrol brands, including a strong global lubricants portfolio and other business-to-business marketing businesses (aviation and marine) covering the mobility sectors. We continue to seek opportunities to broaden our activities in growth markets such as China and India.
- In our Gas, Power and Renewables businesses, marketing and trading is undertaken primarily in the US, Canada, the UK and the rest of Europe. Our marketing and trading activities include natural gas, power and NGLs. Our LNG activities identify and capture worldwide opportunities for our upstream natural gas resources and are focused on growing natural gas markets, including the US, the UK, Spain and key consuming countries of the Asia

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aiming to achieve coherence across the group, manage risks effectively and achieve economies of scale. Each head of region ensures regional consistency of the activities of business segments and group functions and represents BP to external parties.

The group's system of internal control is described in the BP management framework. It is designed to meet the expectations of internal control of the Turnbull Guidance on the Combined Code in the UK and of COSO (committee of the sponsoring organization for the Treadway Commission in the US). The system of internal control is the complete set of management systems, organizational structures, processes, standards and behaviours that are employed to conduct the business of BP and deliver returns to shareholders. The design of the system of internal control addresses risks and how to respond to them. Each component of the system is in itself a device to respond to a particular type or collection of risks.

The group strategy describes the group's strategic objectives and the presumptions made by BP about the future. It describes strategic risks that arise from making such presumptions and the actions to be taken to manage or mitigate the risks. The board delegates to the group chief executive responsibility for developing BP's strategy and its implementation through the group plan that determine the setting of priorities and allocation of resources. The group chief executive is obliged to discuss with the board, on the basis of the strategy and group plan, all material matters currently or prospectively affecting BP's performance.

As the group's business segments are managed on a global, not regional, basis, geographical information for the group and segments is

...primarily concerning business in the Pacific region. We have a significant NGLs processing and marketing business in North America. BP Alternative Energy, launched in November 2005, combines all of BP's interests in businesses that provide low-carbon energy solutions for power generation: solar, wind, gas-fired power generation and hydrogen power with carbon capture and storage. Alternative Energy has solar production facilities in the US, Spain, China, India and Australia; and wind farms in the Netherlands, India and the US. We are advancing development of hydrogen power plants and are involved in gas-fired power projects in the US, the UK, Spain, Vietnam, Trinidad & Tobago and South Korea.

Through non-US subsidiaries or other non-US entities, during the period covered by this report, BP conducted limited marketing, licensing and trading activities in, or with persons from, certain countries identified by the US Department of State as State Sponsors of Terrorism. BP believes that these activities are immaterial to the group.

BP has interests in, and is the operator of, two fields and a pipeline located outside of Iran in which the National Iranian Oil Company (NIOC) and an affiliated entity have interests. In Iran, BP buys small quantities of crude oil. This is primarily for sale to third parties in Europe and a small portion is used by BP in its own refineries in South Africa and Europe. In addition, BP sells small quantities of crude oil into Iran and blends and markets small quantities of lubricants for sale to domestic consumers through a joint venture there, which has a blending facility. However, BP does not seek to obtain from the government of Iran licences or agreements for oil and gas projects in Iran, is not conducting any technical studies in Iran and does not own or operate any refineries or chemicals plants in Iran.



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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
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(Mark One)

- ☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) or (g) OF THE SECURITIES EXCHANGE ACT OF 1934**
- OR
- ☐ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the fiscal year ended 31 December 2008
- OR
- ☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
- OR
- ☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 1-6262

**BP p.l.c.**

(Exact name of Registrant as specified in its charter)

England and Wales

(Jurisdiction of incorporation or organization)

1 St James's Square,  
London SW1Y 4PD  
United Kingdom

(Address of principal executive offices)

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Tel +44 (0) 20 7496 4000  
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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Title of each class	Name of each exchange on which registered
Ordinary Shares of 25c each	New York Stock Exchange*
4 7/8% Guaranteed Notes due 2010	New York Stock Exchange
Floating Rate Guaranteed Extendible Notes	New York Stock Exchange
Floating Rate Guaranteed Notes due 2010	New York Stock Exchange
Substitute Floating Rate Guaranteed Notes due July 10 2009	New York Stock Exchange
Substitute Floating Rate Guaranteed Notes due October 9 2009	New York Stock Exchange
5.25% Guaranteed Notes due 2013	New York Stock Exchange

\*Not for trading, but only in connection with the registration of American Depositary Shares, pursuant to the requirements of the Securities and Exchange Commission

Securities registered or to be registered pursuant to Section 12(g) of the Act  
**None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.  
**None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Ordinary Shares of 25c each	18,730,307,315
Cumulative First Preference Shares of £1 each	7,232,838
Cumulative Second Preference Shares of £1 each	5,473,414

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  
Yes ☐ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☐

Note - Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.